

#16

175173 SP

POSTED
8/1/05

C. DUKES SCOTT
EXECUTIVE DIRECTOR



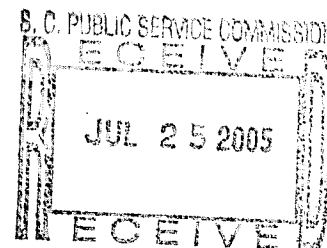
P.O. Box 11263
Columbia, S.C. 29211

Phone: (803) 737-0800
Fax: (803) 737-0801

DAN F. ARNETT
CHIEF OF STAFF

July 22, 2005

2005-247-C



Charles L. A. Terreni, Esquire
Chief Clerk and Administrator
Public Service Commission of South Carolina
Post Office Box 11649
Columbia, South Carolina 29211

RECEIVED

AUG 01 2005

PSC SC
DOCKETING DEPT.

Dear Charlie:

Enclosed is correspondence I received from Representative Kirsh regarding countywide toll-free calling within York County.

Representative Kirsh is asking the Public Service Commission to consider adding this issue to the filing for alternative regulation and rate adjustments by Comporium Communications.

Sincerely,

C. Dukes Scott

Enclosures

cc: The Honorable Herb Kirsh
M. John Bowen, Jr., Esquire

Hertl Kirsh

District No. 47 - York County

Home Address:

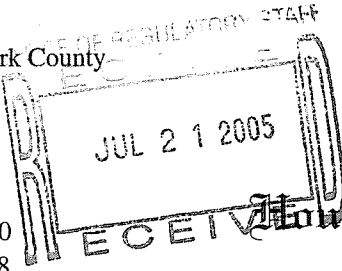
Box 31

Clover, SC 29710

Bus. (803) 222-9430

Res. (803) 222-3768

Fax (803) 222-9430



House of Representatives

State of South Carolina

532-A Blatt Building

Columbia, SC 29211

Tel. (803) 734-3071

Fax (803) 734-3103

7/20/05

Committees:

Ways and Means

Legislative, Executive, Tourism
and Local Government

Subcommittee

Personnel and Benefits

Subcommittee

Proviso Subcommittee, Chairman

Secretary-Treasurer

Invitations and Memorial Resolution

State House Committee

York County Legislative Delegation,
Secretary

Mr C Dukes Scott Dir

PRS Box 11263

Columbia SC 29211

Dear Dukes

I am enclosing an article from today's Rock Hill Herald,
regarding Compcon's request to increase rates for telephone
service.

As a part of this request, I am enclosing a copy of
my House Bill 3066 to ask the PSC to consider adding this
request to any hearing on a rate increase for Compcon.

Herb Kirsh

District No. 47 - York County



Home Address:

Box 31
Clover, SC 29710
Bus. (803) 222-9430
Res. (803) 222-3768
Fax (803) 222-9430

House of Representatives

State of South Carolina

532-A Blatt Building
Columbia, SC 29211
Tel. (803) 734-3071
Fax (803) 734-3103

Committees:

Ways and Means

Legislative, Executive, Tourism
and Local Government

Subcommittee

Personnel and Benefits

Subcommittee

Proviso Subcommittee, Chairman

Secretary-Treasurer

Invitations and Memorial Resolution

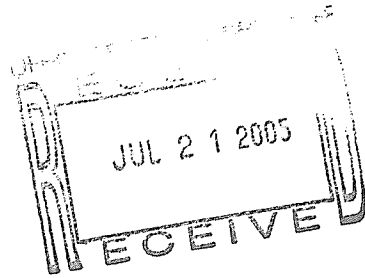
State House Committee

York County Legislative Delegation,
Secretary

*I have been working on this request for over 10 years
and I believe that this should be included if any
rate increase is granted.*

Thanks for your help on this matter.

*Sincerely,
Rep Herb Kirsh*



1
2
3
4
5
6
7
8
9 **A BILL**

10
11 TO PROVIDE THAT THE PUBLIC SERVICE COMMISSION
12 SHALL REQUIRE COUNTYWIDE TOLL-FREE CALLING TO
13 BE PROVIDED BY ALL TELEPHONE UTILITIES
14 OPERATING WITHIN YORK COUNTY BY JULY 1, (2005), 2006
15 AND PROVIDE FOR RELATED MATTERS.
16

17 Be it enacted by the General Assembly of the State of South
18 Carolina:
19

20 SECTION 1. (A) Unless otherwise prohibited by law, the Public
21 Service Commission shall require countywide toll-free calling to
22 be provided by all telephone utilities operating within York County
23 by July 1, 2005. Where two or more telephone utilities operate in
24 York County, each telephone utility shall provide countywide
25 toll-free calling to and from telephones within the area served by
26 the other telephone utility or telephone utilities in York County.

27 (B) The commission shall require telephone utilities to enter
28 into negotiations to provide for countywide toll-free calling
29 throughout their service areas. If the telephone utilities are unable
30 to reach an agreement within a time frame consistent with the
31 requirements of this section, the commission shall impose its own
32 countywide toll-free calling plan.
33

34 SECTION 2. Except as otherwise provided in this act, this act
35 takes effect upon approval by the Governor.
36
37

----XX----

JUL 21 2005

Comporium may increase rates to fight cell phones

By Rebecca Sulock
The Herald

Comporium customers could pay more for phone and cable service starting in September.

The Rock Hill-based company has asked the state for permission to raise prices for telephone service because of what company officials say is increased competition from cell phone companies.

If a state commission says OK to the company's request to raise rates, the increase would take effect Sept. 1, with more increases possible over the next two years.

Cable customers also would see a slight rise in rates starting at the beginning of September, a move unrelated to the phone rate increase.

"Our costs have gone up," said Glenn McFadden, executive vice president for operations. "We're facing competition. People really don't think so, but we are."

Glenn McFadden, executive vice president for operations. "We're facing competition. People really don't think so, but we are."

See COMPORIUM • 8A

Comporium from 1A

"That is an argument that is frequently made. It's not a given that they are comparable," said PSC administrator Charlie Terrenti.

Because of the competition — from Alltel, Cricket, Nextel, Sprint, Suncom and Verizon — Comporium must raise its fees to keep profits up, McFadden said.

But customers stand to gain from the increases, he said. Comporium now will be able to offer bundled services, or multiple services at a discounted rate, to businesses.

"We want to reward our loyal customers that have multiple services and have been with us for a long time," McFadden said. "We're increasing our rates so we can then turn around and offer discounts at the same time."

Competition or no?

Until last year, Comporium had little flexibility with its pricing. It's in what's labeled as a rural market and

Why is Comporium the only gig in town?

Comporium Communications' Rock Hill, Fort Mill and Lancaster telephone companies have a "rural exemption" from competition under a 1996 federal law. Other companies who want to compete have to request special permission from a state regulatory commission, a potentially cumbersome and costly process.

is federally regulated, which keeps other land-line competitors out but also sets limits on how Comporium can charge for certain services.

The PSC determines which companies are rural based on the amount of territory they have to handle, McFadden said.

"If a competitor came in and competed directly with us, they would probably take high concentrations of business, and we'd be left with less-profitable rural phone service," he said.

But some say if Comporium wants to raise its rates because of competition, the company needs to open up its market and play fair.

"Why is it Comporium should be entitled to all these protections

when we're talking about a competitive market?" said Jack Pringle, a Columbia-based lawyer who has clients that would like to compete in the Rock Hill-area market.

There's some real inconsistencies and logical problems with that," he said.

Comporium says it didn't file for rural status, and it probably won't have it forever.

The PSC will mull over Comporium's argument late this month. Terrenti said he wasn't sure when the commission would decide Comporium's case, but said it likely would be soon.

Rebecca Sulock • 329-4072
rsulock@heraldonline.com

Proposed increases in Comporium service rates

Comporium Communications wants to raise its rates starting Sept. 1. Here's what local customers would pay for phone service. According to the S.C. Public Service Commission, the statewide average rate for residential phone service is \$14.35. For business, the statewide average is \$28.70.

Rock Hill residential
Current rate: \$13.60
New rate: \$14.35
Increase: 5.5 percent

Fort Mill residential
Current rate: \$10.65
New rate: \$12.50
Increase: 17.5 percent

Lancaster residential
Current rate: \$14.30
New rate: \$14.35
Increase: 0.3 percent

Rock Hill business
Current rate: \$23.45
New rate: \$26.07
Increase: 11 percent

Fort Mill business
Current rate: \$21.65
New rate: \$25.18
Increase: 16.3 percent

Lancaster business
Current rate: \$27.25
New rate: \$28.70
Increase: 5 percent

Source: Comporium Communications

She Herald 7/20/05